

COMMISSIONERS
GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

ORIGINAL



0000124569

ARIZONA CORPORATION COMMISSION

April 15, 2011

To: Docket Control

RE: Appaloosa Water Company -- Customer Comments
Docket No. W-03443A-11-0040

Please docket the attached 14 customer comments OPPOSED of the above filed rate case.

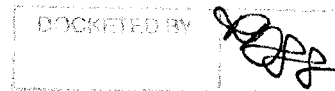
Customer comments can be reviewed in E-docket under the above docket number.

Filed by: Utilities Division -- Consumer Services

Arizona Corporation Commission

DOCKETED

APR 15 2011



RECEIVED

2011 APR 15 P 2:08

ARIZONA CORPORATION
COMMISSION
DOCKET CONTROL

W-03443A.11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94538

Date: 4/14/2011

Complaint Description: 08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

Susan

Harris-Trew

Account Name:

Susan Harris-Trew

Home: (000) 000-0000

Street:

[REDACTED]

Work:

[REDACTED]

City:

Chino Valley

CBR:

[REDACTED]

State:

AZ

Zip: 86323

is: E-Mail

Utility Company:

Appaloosa Water Company

Division:

Water

Contact Name:

Joe Cordovana

Contact Phone:

[REDACTED]

Nature of Complaint:

4/14--rec'd following:

Surcharge --- NONSENSE!

500,00 gal. tank --- NONSENSE!

RIP OFF, borrowing money by Mr. Cordovana.

DO NOT PAY POSTAGE FOR THIS MAN, HE HAS BEEN TROUBLE.

Often ignoring our payment -- so that my wife has to go to him and get a receipt.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/14--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/14/2011

Opinion No. 2011 - 94538

W-03443A - 11.0046

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94537

Date: 4/14/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Jack Last: Cruzan

Account Name: Jack Cruzan

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Chino Valley

CBR: [REDACTED]

State: AZ Zip: 86323

is: E-Mail

Utility Company: Appaloosa Water Company

Division: Water

Contact Name: Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/14--following rec'd along with attached copies of Appaloosa's info re drinking water and position paper on Appaloosa's rate increase (ORANGE FLIER):

See Attached.

The water is unsafe to drink because of the arsenic level. The owner is not a good man. He is always trying to put something over on our town. He just wants the money. He will not do what he says. We still have too much arsenic.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/14--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/14/2011

Opinion No. 2011 - 94537

W-03443A-11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94515

Date: 4/13/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Last:
Stephen & Jill Rembert

Account Name: Stephen & Jill Rembert

Home: (000) 000-0000

Street: [REDACTED]

Work: (000) 000-0000

City: Chino Valley

CBR: rembert5@q.com

State: AZ Zip: 86323

is: E-Mail

Utility Company. Appaloosa Water Company

Division: Water

Contact Name: Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

rec'd 4/13:

I do believe Appaloosa Water Company is seeking to raise our rates to help fund the upgraded, desired 500,000 gal. storage tank. This is solely for expansion of the water company into neighboring properties and ventures.

There is also no NEED to replace existing meters that are less than 8 years old.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/13--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

Opinion No. 2011 - 94515

)-03443A-11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94511

Date: 4/13/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By:

Fred

Bolamperti

Account Name:

Fred Bolamperti

Home: [REDACTED]

Street:

[REDACTED]

Work: (000) 000-0000

City:

[REDACTED]

CBR: 4240freddebi19@q.com

State:

[REDACTED]

Zip: 84754

is: E-Mail

Utility Company:

Appaloosa Water Company

Division:

Water

Contact Name:

Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/12--rec'd following:

Rates are already too high. We pay over \$50.00 a month when we don't use water. We pay almost a \$17.00 penalty because of our meter size. Rates should be based on water used not size of meter. Appaloosa has plans to build on other property. Let them drill a new well for those future expansions. We are charged nearly \$10.00 a month for the arsenic filter and he still violates the standard. He has done some sneaky things in the past that you should already know. He cannot be taken at his word.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/13--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

Opinion No. 2011 - 94511

W-03443A - 11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94501

Date: 4/13/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Last:
Al Paladino

Account Name: Al Paladino

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Chino Valley

CBR:

State: AZ Zip: 86323

is:

Utility Company: Appaloosa Water Company

Division: Water

Contact Name: Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/11--rec'd following:

We can't afford this, with the economy.

We are barely paying our bills.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/13--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

Opinion No. 2011 - 94501

W-03443A-11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94497

Date: 4/13/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By:

Dave & Tracy

McConnell

Account Name:

Dave & Tracy McConnell

Home: [REDACTED]

Street:

[REDACTED]

Work: (000) 000-0000

City:

Chino Valley

CBR:

State:

AZ Zip: 86323

is:

Utility Company:

Appaloosa Water Company

Division:

Water

Contact Name:

Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/11--rec'd following:

This rate increase is unreasonable! This rate increase would only be used to finance the owner's other ventures.
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/13 -- OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

Opinion No. 2011 - 94497

W-03443A-11-0040

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94492

Date: 4/13/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Bob and Jean Last: Poff

Account Name: Bob and Jean Poff

Home: [REDACTED]

Street: [REDACTED]

Work: (602) [REDACTED]

City: Chino Valley

CBR:

State: AZ Zip: 86323

is:

Utility Company: Appaloosa Water Company

Division: Water

Contact Name: Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/11--rec'd following:

Why do we need a 500,000 gallong storage tank?

What is wrong with the existing water meters?

We lanscaped our yards based on water prices at the time. So is a large increase fair?

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/13--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

Opinion No. 2011 - 94492

W-03445A-11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94481

Date: 4/13/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: William R. Last: Andreozzi

Account Name: William R. Andreozzi

Home: [REDACTED]

Street: [REDACTED]

Work: [REDACTED]

City: Chino Valley

CBR: [REDACTED]

State: AZ Zip: 86323

is: E-Mail

Utility Company: Appaloosa Water Company

Division: Water

Contact Name: Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/11--rec'd following:

This water company has very poor management. Every month I must recalculate my bill because of they make so many errors. Management borrows money from the company, the treatment plant is less than 2 years old and is failing. I can see no justification for an increase until this company is managed better.

William R. Andreozzi

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/13--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

Opinion No. 2011 - 94481

W-03443A-11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: [REDACTED]

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94450

Date: 4/12/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: James L. Last: Walls

Account Name: James L. Walls

Home: [REDACTED]

Street: [REDACTED]

Work: [REDACTED]

City: Chino Valley

CBR: [REDACTED]

State: AZ Zip: 86323

is: E-Mail

Utility Company: Appaloosa Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

rec'd 4/11:

1. Customers have been paying a surcharge since 2009--still levels have exceeded feds std!
 2. Why replace water meters that are only 10 yr old?
 3. Mr. Cordovana has borrowed \$141,000.00 from the water company. Why wasn't this monies used for his so-called needed improvements, and/or repairs.
 4. The current water storage has been most adequate for services that are currently provided, should we now pay so Mr Cordovana can expand into adjacent properties?
 5. Our present economy simply cannot stand this totally unwarranted increase.
- *End of Complaint*

Utilities' Response:

Investigator's Comments and Disposition:

4/12/11 -- OPINON DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/12/2011

Opinion No. 2011 - 94450

W.03443A-11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: [REDACTED]

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94462

Date: 4/12/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Norma Last: Harris

Account Name: Norma Harris

Home: [REDACTED]

Street: [REDACTED]

Work: [REDACTED]

City: Chino Valley

CBR: [REDACTED]

State: AZ Zip: 86323

is: E-Mail

Utility Company: Appaloosa Water Company

Division: Water

Contact Name: Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/11 - rec'd following:

We've been charged with an arsenic surcharge but still haven't got arsenic into safe range. When I called Mr. Cordovana to ask about my bill, he told me if I didn't like it he would just shut my water off and slammed down the phone.

He (Mr. Cordovana) wants to put in a 500,000 gallon tank but only has approximately 230 customers. He wants us (his current customers) to pay for this huge tank so that he can then expand to accommodate his plans for a senior housing project on his property. Why do we have to pay for this? It's his project so either he should pay for it or the people that move into this future project should.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/12 -- OPINION DOCKETED in Docket # W-013443A-11-0040

CLOSED

End of Comments

Date Completed: 4/12/2011

Opinion No. 2011 - 94462

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller**Phone:** [REDACTED]**Fax:****Priority:** Respond Within Five Days**Opinion No.** 2011 - 94452**Date:** 4/12/2011**Complaint Description:** 08A Rate Case Items - Opposed
N/A Not Applicable**Complaint By:** **First:** Dan & Gretchen **Last:** Carlson**Account Name:** Dan & Gretchen Carlson**Home:** [REDACTED]**Street:** [REDACTED]**Work:** [REDACTED]**City:** Chino Valley**CBR:** [REDACTED]**State:** AZ **Zip:** 86323**is:** E-Mail**Utility Company:** Appaloosa Water Company**Division:** Water**Contact Name:** Joe Cordovana**Contact Phone:** [REDACTED]**Nature of Complaint:**

4/11, rec'd following:

These are the reasons we do not believe a rate increase is appropriate at this time: 1) Just received a rate increase in 2010; 2) Property taxes went up on Cordovana's private residence and other properties as he requested a zone change so he could develop those properties. We should not have to pay for these increases in those properties; 3) We already pay for arsenic treatment per Appaloosa Water Company's request in 2010 (?). We should not have to pay for their mistake in choosing the wrong remedy. They should sue the arsenic company to pay for damages. 4) Postal rates have not increased in the last 12 months--water company could protect against future postal increases by buying "Forever Stamps" or allowing customers to access bills by Internet; 5) You need to call several times over several weeks to get a request for service answered; 6) Current meters are less than 10 years old and do not require replacement; 7) Appaloosa Water Company owner, Cordovana, wants us to pay for his water infrastructure for a development nearby that will use Appaloosa Water; 8) Population has actually decreased in Chino Valley per latest census information; 9) Appaloosa Meadows Water Company operates its business poorly--poor service - poor credit policies - poor business practices.

End of Complaint

Utilities' Response:**Investigator's Comments and Disposition:**

4/12 -- OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/12/2011**Opinion No.** 2011 - 94452

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

1. Name of Complainant
2. Address
3. City, State, Zip

4. Telephone Number

5. Date of Complaint

W-03443A - 11-0040

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94503

Date: 4/13/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Theodore J. Hicks**

Account Name: Theodore J. Hicks

Home: [REDACTED]

Street: [REDACTED]

Work: [REDACTED]

City: Chino Valley

CBR: tedhicks@aol.com

State: AZ Zip: 86323

is: E-Mail

Utility Company. **Appaloosa Water Company**

Division: Water

Contact Name: Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/12--rec'd following:

A 100% increase is exhorbitant! I would like a 100% increase in income too but that is not likely--hopefully the same will be the case with Appaloosa Water Co. The company cited as reasons for that increase: 1. Water meters need to be replaced--why, in my case the meter is 10 yrs old and functions properly. 2. A 500000 gallon storage tank--apparently the water company wants to expand its customer base at the expense of current customers. If customers are added they should pay the expansion costs. 3. Arsenic treatment. I pay for that now with a surcharge of \$3.89 per month (based on usage). It would appear that there (are) management (mis-management) issues with the company as to conflicts of interest and money management that should be addressed by the Company.

The request for rate increase should be denied.

TJ Hicks

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/13--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

Opinion No. 2011 - 94503

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

1. Name of complainant

2. Address

3. Telephone number

4. Date of complaint

W-03443 A-11-0040

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion

No. 2011 - 94483

Date: 4/13/2011

Complaint Description:

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

Eva L.

Morgan

Account Name:

Eva L. Morgan

Home: (602) [REDACTED]

Street:

[REDACTED]

Work:

City:

Chino Valley

CBR:

State:

AZ

Zip: 86323

Is:

Utility Company.

Appaloosa Water Company

Division:

Water

Contact Name:

Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/11--rec'd following as attachment to Complaint Form:

Many items in this request seem to be unrealistic.

He wants to replace water meters that are less than 10 years old, why? My last home used the same meter for the 36 years we lived there.

This company serves a little more than 200 homes, most of them occupied by only 2 people; the present water tank is adequate. If he is lookin to expand to adjacent properties, shouldn't the new homes cover the expansion costs? Or is the larger storage tank to better serve his nursery and his special events complex adjacent to our residential area?

Then there is the arsenic problem. We have been paying for "arsenic treatment" since July of 2009 and our water is still above the federal accepted levels. I was told this surcharge would continue on my bill for 20 years, which would probably pay for the whole system that is an asset to his company and is depreciated over time to recover his investment.

The company claims to be losing money but the amount of the loss just about equals the amount of his own personal salary increase. It is also my understanding that the owner has taken a large personal loan from the company with a very minimal repayment plan. The money should have stayed in the business to pay for the repairs and improvements he is requesting this increase for. It seems to me to be faulty business practices.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

4/13--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

Opinion No. 2011 - 94483

W-03443A-11-0040

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 94487

Date: 4/13/2011

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

First:

Last:

Complaint By: **Dennis L.**

Bethke

Account Name: Dennis L. Bethke

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Chino Valley

CBR:

State: AZ Zip: 86323

is:

Utility Company. **Appaloosa Water Company**

Division: Water

Contact Name: Joe Cordovana

Contact Phone: [REDACTED]

Nature of Complaint:

4/11--rec'd following:

This is my second communicaton with the Commission regarding this rate increase request.

1) All users have an arsenic surcharge each month on our billings for almost 2 years since July 2009. The company has taken in thousands of dollars for this source. Yet in a most recent communication to all water users they admit to being out of compliance regarding compliance with arsenic standards and then stated "We anticipate resolving the problem when a source of financing is secured." What is this??

2) Many of their billings include ads and promotionals for the owner's other business ventures. Yet he wants the water users to pay for this advertising.

3) An additional water tank is only needed for the owner's other business ventures. Should the water users really pay for that sort of thing? You are the only agency that can protect the water users from exploitation by this owner. Please do not let this person rape us. This is not a reasonable request for rate increase.

Dennis L. Bethke
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/13--OPINION DOCKETED in Docket # W-03443A-11-0040

CLOSED

End of Comments

Date Completed: 4/13/2011

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Opinion No. 2011 - 94487
